

The Honorable Jeffrey B. Clark  
Assistant Attorney General  
United States Department of Justice  
Environment and Natural Resources Division  
601 D. Street, N.W.  
Room 2121  
Washington, D.C. 20004

Re: Clean Air Act Multi-Regional Referral  
Williams Mobile Bay Producer Services, LLC

Dear Mr. Clark:

By this letter, the United States Environmental Protection Agency, Region 4, formally requests that the United States Department of Justice (DOJ) include a natural gas processing facility owned by Williams Mobile Bay Producers Services, LLC, a wholly owned subsidiary of Williams Companies, Inc., (Williams) located in Coden, Alabama, into a global settlement currently being negotiated with Williams on behalf of Regions 2, 3, 5, 6, 8, involving thirteen (13) Williams' facilities, facility owned by Williams Mobile Bay Producers Services, LLC (Williams) located in Coden, Mobile County, Alabama, in a settlement currently being negotiated with Williams on behalf of Region 3 and 8. Williams Mobile Bay Producers Services, LLC, is a subsidiary of The Williams Companies Inc.

On March 14, 2016, Region 3 made a direct referral requesting DOJ to take action for violations at the Williams facility located in Moundsville, West Virginia. The referral alleged violations of section 111 of the Clean Air Act (CAA), 42 U.S.C. § 7411, and its implementing regulations at 40 C.F.R. Part 60 Subpart OOOO (Standards of Performance for Crude Oil and Natural Gas Production, Transmission and Distribution for which Construction, Modification or Reconstruction Commenced After August 23, 2011, and on or before September 18, 2015) NSPS OOOO). The referral violations were primarily on alleged violations none compliance with of the leak detection and repair (LDAR) requirements. Region 3 later amended the referral to include a second facility located in Moundsville, West Virginia.

On October 13, 2017, Region 8 made a direct referral requesting DOJ action for violations of the Clean Air Act (CAA), 42 U.S.C. § 7411 (New Source Performance Standards) (NSPS), and Section 112 of the CAA, 42 U.S.C. § 7412, at the Ignacio and Parachute Creek Gas Plants in Colorado, operated by Williams Four Corners LLC and Bargath LLC, wholly owned subsidiaries of Williams). The Region 8 referral primarily alleged violations of the leak detection and repair (LDAR) requirements at the implementing regulations in 40 C.F.R. Part 60, Subparts KKK (Standards of Performance for Equipment Leaks of Volatile Organic Compound (VOC)

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From Onshore Natural Gas Processing Plants for Which Construction, Reconstruction, and Modification Commenced After January 20, 1984, and on or Before August 23, 2011) and OOOO, and 40 C.F.R. Part 63, Subpart HH (National Emission Standards for Hazardous Air Pollutants for Source Categories). On October 13, 2017, Region 8 made a direct referral requesting DOJ to take action for violations at the Williams Ignacio Gas Plant and the Williams Parachute Creek Gas Plant. The referral alleged violations of section 111 of the CAA, 42 U.S.C. § 7411, and its implementing regulations at 40 C.F.R. Part 60 Subparts KKK (NSPS KKK) and OOOOa (NSPS OOOOa), and section 112 of the CAA, 42 U.S.C. § 7412, and its implementing regulations at 40 C.F.R. part 63, subpart HH (MACT HH). Most of the violations were primarily on alleged noncompliance with the LDAR requirements.

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On October 23, 2018, representatives from Williams, DOJ, and EPA Regions 3, 4, 5, 7 and 8, held a meeting in Denver, Colorado, in which the EPA and DOJ offered Williams an opportunity for a global settlement, and provided Williams with an outline of a proposed settlement. In December 2018, Williams verbally agreed to enter into a global settlement approach for the facilities. In a response to DOJ's proposed relief for settlement of LDAR claims dated March 4, 2019, Williams has currently proposed to include into the global settlement thirteen gas processing facilities that are either all the facilities that are one hundred percent owned by Williams and two facilities or that are jointly or partially owned (Conway Plant and Larose Plant) by Williams as part of the global settlement.

### **Background on Williams**

Williams Mobile Bay Producers Services, LLC, the owner/operator of the gas processing facility in Corden, Alabama was incorporated in 2000, and is based in Houston, Texas. It is a wholly owned subsidiary of Williams Companies, Inc., (Williams). Williams is an energy infrastructure company with operations primarily located in the United States. It was founded in 1908, originally incorporated in the state of Nevada in 1949, and reincorporated in Delaware in 1987. The Williams Companies Inc merged with Williams Partners, LP in August 2018. Williams employs more than 5,000 people, is headquartered in Tulsa, Oklahoma, Williams trades on the New York Stock Exchange under the symbol "WMB." Williams Companies Inc. (Williams) owns and operates midstream gathering and processing facilities, and interstate natural gas pipelines. Williams is focused on connecting North America's significant hydrocarbon resource plays to growing markets for natural gas and natural gas liquids. Substantially all of Williams operations are conducted through its subsidiaries.

### **Williams Region 4 Facility Investigation of Mobile Bay Processing Facility**

Williams operates one natural gas processing facility in Region 4. The natural gas processing facility is located in Coden, Mobile County, Alabama (Facility). The Facility operates two

process trains to process about 690 million standard cubic feet per day of natural gas, about 30,000 barrels per day of natural gas liquids, and some amount of natural gasoline is produced as a byproduct. -The facility receives gas from both onshore and offshore sources. -The raw gas passes through slug catchers to remove the liquid hydrocarbon (condensate) and water from the gas stream. The condensate is sent to the condensate stabilizer area, and the water is directed to a closed drain system. -The gas stream exiting the slug catchers is sent to the dehydration unit. After leaving the dehydration unit the gas is cooled to condense out the natural gas liquids. -The gas is recompressed and sent to the sales pipeline. -The natural gas liquids are then sent to an amine contactor to remove the carbon dioxide and sulfur compounds, then sent to the amine treating system and then to the sales pipeline. -The amine solution is sent to the amine regeneration tower where the impurities are removed from the amine solution, and is thereafter, recycled to the amine contactor and the gases from the regeneration tower are sent to a thermal oxidizer.

#### EPA Region 4 Investigation

On April 17-19, 2018, representatives from EPA Regions 3, 4 and 5 and the Alabama Department of Environmental Management (ADEM) conducted an on-site evaluation (inspection) at the Williams facility located at 6000 Rock Road, Coden, Alabama. At the time of the on-site evaluation, Williams' LDAR contractor, Encos Environmental and Coastal Services was also present. During the on-site evaluation, the EPA inspection team used an infrared camera, a toxic vapor analyzers (TVA), and four-gas personal safety monitors to evaluate components in the various process units at the facility. Monitoring was conducted in the condensate stabilization unit, inlet and gathering unit, natural gas liquid extraction train 1, natural gas liquid extraction train 2, and the natural gas liquid dehydration unit. Using the TVA, the EPA inspection team identified volatile organic compound (VOC) leaks from various components including ??? within the process units. Other potential issues alleged violations were identified when the inspection team reviewed Williams' LDAR electronic database discussed below in more detail in Section \_\_\_\_\_. Based on the information collected during the on-site evaluation and a review of the Facility's LDAR electronic database is evidence, Region 4 identified is alleging similar violations of 40 C.F.R. Parts OOOO and KKK, to similar to those alleged discussed in the referrals from Regions 3's and Region and 8's referrals. The specific details about the alleged LDAR related violations are discussed in Section \_\_\_\_\_.

During the on-site inspection representatives from the EPA, representatives from the facility, and representatives from Williams' headquarters office had held two conference calls to discuss NSPS OOOOa applicability for the expansion project that was ongoing at the facility. At that time, the EPA asked Williams for documents pertaining to the project, and later followed up in an email dated May 4, 2018, requesting that Williams provide information concerning the project. Williams requested that the EPA send an electronic message to ask for the documentation. The EPA sent an electronic message to Williams on May 4, 2018, and in an email dated May 25, 2018, Williams provided the information including an electronic copy of the Facility's LDAR database from April 2011 through April 18, 2018, responded to the EPA in an email dated May 25, 2018.

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In addition, Enco's, Williams' LDAR contractor, was on site during the inspection. The EPA was able to obtain an electronic copy of the LDAR database from April 2011 through April 18, 2018.

## Violations

The following section summarizes the legal and factual bases for alleged violations at the Williams Facility.

### Claim 1. Failure to Properly Conduct EPA Method 21 to Monitor Components in violation of 40 C.F.R. Part 60 Subpart KKK

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#### 1. Failed to properly conduct EPA Method 21

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#### Applicability of 40 C.F.R. Part 60, Subpart KKK

On June 24, 1985, the EPA promulgated "Standards of Performance for New Stationary Sources: Equipment Leaks of VOC From Onshore Natural Gas Processing Plants." 50 Fed. Reg. 26, 122. Subpart KKK applies to affected facilities in onshore natural gas processing plants for which construction, reconstruction, or modification commenced after January 20, 1984, and on or before August 23, 2011. The term "affected facility" under § 60.630, includes a compressor in VOC service or in wet gas service and the group of all equipment (except compressors) within a process unit. The term "process unit" is defined at § 60.301 to mean, "components assembled for the extraction of natural gas liquids from field gas, the fractionation of the liquids into natural gas products, or other operations associated with gas processing ...." § 60.631 defines a "natural gas processing plant," as "a processing site engaged in the extraction of natural gas liquids from field gas, fractionation of mixed natural gas liquids to natural gas products of both."

The Williams Facility located in Corden, Alabama is an onshore natural gas processing plant that commenced reconstruction or modification on or before August 23, 2011. The Facility processes about 690 million standard cubic feet per day of natural gas about 30,000 barrels per day of natural gas liquids and some amounts of natural gasoline is produced as a byproduct. The process unit at the Facility is equipped with approximately \_\_\_\_\_ compressors in VOC service or wet gas service. Pursuant to the Facility's title V operating permit number 503-806 issued on October 5, 2017, specifically provision 2 (Fugitive VOC Equipment Leaks), requires the Facility to comply with the requirements of 40 C.F.R. Part 60, Subpart KKK. According to provision 2, \_\_\_\_\_

The standards that apply to the Williams Facility require monitoring of specified equipment, including but are not limited to, valves and pumps, for VOC leaks on a specific schedule use of Method 21 to monitor; keeping records of the monitoring repair or attempt to repair certain leaks by set deadlines; reporting of monitoring results; and maintaining specified work practices, such as sealing open-ended lines. Method 21 sets forth the procedure for use of an instrument to

detect VOC leaks, including, but not limited to, calibration requirements and how long and where to use the probe at each component.

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Provisos for Fugitive VOC Equipment Leaks, condition 2 of title V operating permit number 503-806 issued on October 5, 2017, requires the facility to comply with the requirements of 40 C.F.R. Part 60 Subpart KKK, Standards of Performance for Equipment Leaks of VOC From Onshore Natural Gas Processing Plants for Which Construction, Reconstruction, or Modification Commenced After January 20, 1984, and on or Before August 23, 2011.

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#### Legal Requirements of 40 C.F.R. Part 60, Subpart KKK

Pursuant to 40 C.F.R. NSPS KKK § 60.632(a), each owner of an affected facility is required to comply with - requires each owner or operator subject to the provisions of the subpart to comply with the requirements of §§ 60.482-1 (a), (b), and (d) and 60.482-2 through 60.482-10, except as provided in § 60.633, as soon as practicable, but no later than 180 days after initial startup. Further, Subpart KKK sets standards for VOC leaks from natural gas processing plants by making affected facilities also subject to certain requirements such as § 60.482 in Subpart VV. Sections 60.482 are contained 40 C.F.R. Part 60 Subpart VV, Standards of Performance for Equipment Leaks of VOC in the Synthetic Organic Chemicals Manufacturing Industry for which Construction, Reconstruction, or Modification Commenced After January 5, 1981, and on or Before November 7, 2006 (NSPS VV).

#### Claim 1. Failure to Properly Conduct EPA Method 21 to Monitor Components in violation of 40 C.F.R. Part 60 Subpart KKK

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#### Relevant Legal Requirements

NSPS KKK § 60.632(d) requires each owner or operator subject to the provisions of this subpart to comply with the provisions of § 60.485 except as provided in § 60.633(f) of this subpart. Section 60.485(b)(1) (Test method and Procedures) requires the owner or operator to determine compliance with the standards using Method 21 to determine the presence of leaking sources. The instrument shall be calibrated before use each day of its use by the procedures specified in Method 21, in §§ 60.482-1 through 60.482-10, 60.483, and 60.484 found at § 60.484(a) Appendix A-7, using Method 21 to determine the presence of leaking sources. Scope of Method 21: Applicable for the determination of VOC leaks from process equipment. These sources include, but are not limited to, valves, flanges and other connections, pumps and compressors, pressure relief devices, process drains, open-ended valves, pump and compressor seal system degassing vents, accumulator vessel vents, agitator seals, and access door seals.

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In accordance with Section 8.3.1 of EPA Method 21, requires the LDAR technician is required to do the following to properly and accurately monitor components:

- a) Place the probe inlet at the surface of the component interface where leakage could occur;
- b) Move the probe along the interface periphery, while observing the instrument readout. If an increased meter reading is observed, slowly sample the interface where leakage is indicated until the maximum meter reading is obtained; and
- c) Leave the probe inlet at this maximum reading location for approximately two times the instrument response time. "Response time" is defined as "the time interval from a step change in VOC concentration at the input of the sampling system to the time at which 90 percent of the corresponding final value is reached as displayed on the instrument readout meter."

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#### Facts Supporting Violation: Failure to Properly Conduct EPA Method 21 to Monitor Components

Based on a detailed review and evaluation of the data monitoring records in the Facility's In reviewing the electronic LDAR database, the EPA determined that Williams failed to properly conduct EPA Test Method 21, to monitor approximately 4,437 components on numerous occasions from April 2012 through October 2015, in violation of 40 C.F.R. §§ 60.632(d) and 60.483-2, 60.485(b); following issues were identified.

- a) On October 14, 2015, approximately 328 components were monitored from 2:18 pm to 2:49 pm (with a period of 31 minutes) by a technician using instrument numbered TVA-12190950. This indicates that the technician monitored an average of over 10 components per minute or one component every six seconds. According to Thermo-Scientific, the manufacturer of the TVA-1000B, the response time is 3.5 seconds. The contractor's LDAR electronic database table titled "Instrument" indicates that the response time for TVA-[02455421] is 3.7 seconds. In addition, the contractor's LDAR electronic database titled "DriftCalibration" indicates that the instrument response time range was 2 – 7.8 seconds between October 2016 through April 2018. EPA Method 21, section 8.3.1 requires that the technician leave the probe inlet at this maximum reading location for approximately two times the instrument response time which would be a least seven seconds per component. The seven seconds does not include the time it takes to move the probe around the component and to locate and identify the component. In order to properly monitor the aforementioned 328 components, Williams monitoring recorded time should have been in excess of 38 minutes (2,296 seconds) as opposed to the 31 minutes (one component every 6 seconds) it took Williams to complete this monitoring event.

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Commented [TM1]: Denis Is this instrument similar to the one used by Williams? Why are we using 3.5 and not 3.7 secs. As per our discussion on Friday, we need to clarify the standards and timeframe for conducting the Method 21. It is not clear when an actual violation occurs.

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Commented [TM2]: How long does it take to probe?

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b) On October 13, 2015, approximately 256 components were monitored from 2:43 pm to 3:58 pm (with 75 minutes) by a technician using instrument numbered TVA-12190950. This indicates that the technician monitored an average of over three components per minute or one component every 20 seconds.

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c) On October 13, 2015, approximately 510 components were monitored from 1:45 pm to 2:39 pm (within 54 minute) by a technician using instrument numbered TVA-102455421. This indicates that the technician monitored an average of over nine components per minute or one component every six seconds. This response time is less than the time required for monitoring the components in accordance with Section 8.3.1 of EPA Method 2.

e)

d) On October 13, 2015, approximately 246 components were monitored from 11:09 am to 12:00 pm (within 51 minutes) by a technician using instrument numbered TVA-12190950. This indicates that the technician monitored an average of over four components per minute or one component every twelve seconds.

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**Commented [TM5]:** Why is this a problem

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e) On October 12, 2015, approximately 93 components were monitored from 1:25 pm to 1:37 pm by a technician using instrument numbered TVA-102455421. This indicates that the technician monitored an average of over seven components per minute or one component every seven seconds.

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**Commented [TM6]:** Why is this a problem??

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f) On October 12, 2015, approximately 277 components were monitored from 10:58 am to 11:41 am by a technician using instrument numbered TVA-102455421. This indicates that the technician monitored an average of over six components per minute or one component every nine seconds.

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**Commented [TM7]:** Need to explain why this is a problem

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g) On April 21, 2015, approximately 286 components were monitored from 1:13 pm to 2:03 pm by a technician using instrument numbered TVA-12190950. This indicates that the technician monitored an average of over five components per minute or one component every ten seconds.

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**Commented [TM8]:** Same comment

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h) On April 21, 2015, approximately 399 components were monitored from 7:26 am to 8:06 am by a technician using instrument numbered TVA-17192718. This indicates that the technician monitored an average of over nine components per minute or one component every six seconds. This response time is less than the time required for monitoring the components in accordance with Section 8.3.1 of EPA Method 2.

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i) On April 20, 2015, approximately 518 components were monitored from 3:16 pm to 3:47 pm by a technician using instrument numbered TVA-17192718. This indicates that the technician monitored an average of over sixteen components per minute or one component every three seconds. This response time is significantly less than the time required for monitoring the components in accordance with Section 8.3.1 of EPA Method 21.

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j) On April 20, 2015, approximately 315 components were monitored from 2:30 pm to 3:11 pm by a technician using instrument numbered TVA-17192718. This indicates that the technician monitored an average of over seven components per minute or one component every seven seconds. This response time is less than the time required for monitoring in Section 8.3.1 of EPA Method 2.1

k) On October 7, 2014, approximately 465 components were monitored from 3:51 pm to 5:36 pm by a technician using instrument numbered TVA-102455421. This indicates that the technician monitored an average of over four components per minute or one component every thirteen seconds.

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Commented [TM9]: Explain why 13 mins per component as opposed to 7 is a problem and not compliant

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l) On October 7, 2014, approximately 285 components were monitored from 3:29 pm to 3:58 pm by a technician using instrument numbered TVA-12190950. This indicates that the technician monitored an average of over nine components per minute or one component every six seconds. This response time is less than the time required for monitoring the components in accordance with Section 8.3.1 of EPA Method 21.

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m) On October 7, 2014, approximately 170 components were monitored from 7:56 am to 8:14 am by a technician using instrument numbered TVA-12190950. This indicates that the technician monitored an average of over nine components per minute or one component every six seconds. This response time is less than the time required for monitoring the components in accordance with Section 8.3.1 of EPA Method 21.1

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n) On October 6, 2014, approximately 336 components were monitored from 2:41 pm to 3:53 pm by a technician using instrument numbered TVA-12190950. This indicates that the technician monitored an average of over four components per minute or one component every twelve seconds.

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o) On October 6, 2014, approximately 372 components were monitored from 3:24 pm to 4:16 pm by a technician using instrument numbered TVA-102455421. This indicates that the technician monitored an average of over seven components per minute or one component every eight seconds.

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Commented [TM11]: Same comment. Thought this time would be compliant

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Based on the information concerning the above-referenced 15 monitoring events, Williams failed to properly use EPA Test Method 21 to monitor 4,437 components for VOC leaks during April 2012 through October 2015, in violation of NSPS KKK § 60.632(d), NSPS VV §§ 60.485a and 60.485(b)(1).

The Thermo Scientific manufacturer specification sheet states that the response time for the TVA-1000B is 3.5 seconds. The contractor's LDAR electronic database table titled "Instrument" indicates that the response time for TVA-102455421 is 3.7 seconds. In addition, the contractor's LDAR electronic database titled "DriftCalibration" indicates that the instrument response time range was 2-7.8 seconds between October 2016 through April 2018.

EPA Method 21, section 8.3.1 states to leave the probe inlet at this maximum reading location for approximately two times the instrument response time which would be a least seven seconds per component. The seven seconds does not include moving the probe around the component and does not include the time it took the technician to locate and identify the component. Therefore, Williams failed to meet the requirements of NSPS KKK § 60.632(d), NSPS VV § 60.485(b)(1), and EPA Method 21.

## Claim 2--Failure to conduct LDAR Inspections in violation of 40 C.F.R. § 60.482-7

### Relevant Legal Requirements

Pursuant to 40 C.F.R. § 60.482-2(a)(1) each pump in light liquid service is required to be monitored monthly to detect leaks by the methods specified in § 60.485(b), except as provided in § 60.482-1(c) and (f) and paragraphs (d), (e), and (f) of this section. Pursuant to 40 C.F.R. § 60.482-7(a)(1) each valve is required to be monitored monthly to detect leaks by the methods specified in § 60.485(b), except that pursuant to § 60.483-2a (Alternative Standards for valves - Skip Period Leak Detection and Repair), an [ HYPERLINK "" ] may elect to comply with one of the alternative work practices specified in paragraphs (b)(2) and (3) of this section. (Since Williams notified EPA/State in letters dated March 21, 2005, and December 9, 2011, that the Facility would implement the skip period leak detection and repair alternative permitted under § 60.483-2, the valves were required to be monitored semi-annually in lieu of monthly.) 40 C.F.R. § 60.482-7(h)(3) states that any valve that is designated as a difficult-to-monitor valve requires monitoring of the valve at least once per calendar year.

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40 C.F.R. 60.482, the standard for pumps in light liquid service require that each pump [ HYPERLINK "" ] be monitored monthly to detect leaks by the methods specified in [

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HYPERLINK "<https://www.law.cornell.edu/cfr/text/40/60.485>" \ "b" \ A pump that begins |  
HYPERLINK "" \ | HYPERLINK "" \ after the initial | HYPERLINK "" \ date for the |  
HYPERLINK "" \ must be monitored for the first time within 30 days after the end of its |  
HYPERLINK "" \ except for a pump that replaces a leaking pump and except as provided in |  
HYPERLINK "<https://www.law.cornell.edu/cfr/text/40/60.482-1>" \ "c" \

Pursuant to 40 C.F.R. § 60.482-3(i)(2), any compressor designated for no detectable emissions shall be tested for compliance initially and then annually.

40 C.F.R. § 60.482-10(f)(1)(ii), the standard for closed vent systems and control devices, requires that owners/operator conduct visual annual inspections for each hard-piped closed vent system for visible, audible, or olfactory indications of leaks.

Pursuant to 40 C.F.R. § 60.633(b) (Subpart KKK), the owner or operator may elect to comply with the inspection requirement for each pressure relief device in gas/vapor service by monitoring quarterly and within 5 days after each pressure release to detect leaks by the methods specified in §60.485(b).

### Fact Supporting Violations- Failure to Conduct LDAR Inspections

Based on a review and evaluation of the Williams Facility electronic LDAR database, the EPA determined that the Facility failed to perform inspections on numerous valves, pumps and compressors including: 113 components in 2013; 487 components in 2014, 36 components in 2015, 38 components in 2016, 12 components in 2017, and 8 components in 2018, in violation of 40 C.F.R. §§. 60.482-7(a)(1) and 60.483-2. The following are specific examples of Williams' failure to conduct LDAR inspections:

- a) One pump identified as Component number 1084 (documented in component table, and inspection table) inspection missed in June 2014, in violation of 40 C.F.R. § 60.482-2(a)(1).
- b) One valve identified as Component number 305 inspection missed in October, in violation of 40 C.F.R. § 60.482-7(a)(1).
- c) Components designated as DTM (documented in component table DTM -1, and inspection table) including: Component number 934 inspection missed in April 2015, 2016 and 2017; Components numbers 3005, 3533, 1415 and 2474 missed in April 2015; Components numbers 1752, 1777, 1805, 1922 1995, 3135, 4298, 4401 and 4442 missed in April 2015, 2016 and 2017; and Component numbers 6374 inspection missed in April 2014 and 2015, in violation of 40 C.F.R. § 60.482-7(h)(3).
- d) One compressor number 12519, for a pressure relief device -12519 (identified in component table no detectable emissions and inspection table) inspection missed in April 2014, in violation of 40 C.F.R. § 60.482-3(i)(2).

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e) Component number 3161 for a pressure relief device (identified in component table, subtype table, and inspection table) inspection missed in the second quarter of 2014, in violation of 40 C.F.R. § 60.633(b)(1).

f) Several components in the closed vent system (identified in component table, CVS -1, and inspection table) including component number 4765 missed in April 2014; components numbers 3486 and 4497, inspection missed in April 2015; and component number 8539 missed in April 2014 and 2015, in violation of 40 C.F.R. § § 60.482-10(f)(1)(ii).

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<u>Total Numbers of Components Missed</u>	<u>Type of Components/Id #</u>	<u>Dates of Missed Inspection</u>	
<u>113</u>		<u>2013</u>	
<u>487</u>		<u>2014</u>	
<u>36</u>		<u>April 2015</u>	
<u>38</u>		<u>2016</u>	
<u>12</u>		<u>2017</u>	

**Commented [TM14]:** I recommend inserting a table to summarize the above-referenced information

**Claim 3: Failure to include all equipment in the Facility's LDAR Program in violation of 40 C.F.R. §§ 60.630(a)(3) and 60.485(h)**

**Commented [TM15]:** This has to be tied to a applicability 60.630;reporting (60.487) or recordkeeping ( 60.486) violation. There is no requirement per se that equipments be included in an LDAR Program even though as a practical matter the Facility needs to do that

#### **Relevant Legal Requirements**

40 C.F.R. § 60.630(a)(3) states that the group of all equipment except compressors (defined in §60.631) within a process unit is an affected facility.

40 C.F.R. § 60.631 defines equipment to mean each pump, pressure relief device, open-ended valve or line, valve, compressor, and flange or other connector that is in VOC service or in wet gas service, and any device or system required by this subpart.

40 C.F.R. § 60.631 defines a process unit to mean equipment assembled for the extraction of natural gas liquids from field gas, the fractionation of the liquids into natural gas products, or other operations associated with the processing of natural gas products. A process unit can operate independently if supplied with sufficient feed or raw materials and sufficient storage facilities for the products.

40 C.F.R. § 60.632(a) states each owner or operator subject to the provisions of this subpart shall comply with the requirements of §§60.482-1 (a), (b), and (d) and 60.482-2 through 60.482-10, except as provided in §60.633, as soon as practicable, but no later than 180 days after initial startup.

40 C.F.R. § 60.632(e) states that the owner or operator subject to the provisions of this subpart shall comply with the provisions of §§60.486 and 60.487 except as provided in §§ 60.633, 60.635, and 60.636.

40 C.F.R. § 60.483-2(a)(1) states that an owner or operator may elect to comply with one of the alternative work practices specified in paragraphs (b)(2) and (3) of this section.

40 C.F.R. § 60.483-2(b)(5) states that an owner or operation shall determine the percent of valves leaking as described in §60.485(h).

40 C.F.R. § 60.485(h) provides an equation for calculating the percent of valves leaking, and the denominator of the equation is the sum of the total number of valves monitored.

40 C.F.R. § 60.486(e)(1) requires the owner or operator to maintain a list of identification numbers for all equipment subject to the requirements.

Williams notified the Alabama Department of Environmental Management of their request to implement the skip period LDAR alternative in letters dated March 5, 2005, and December 9, 2011.

During process of overview discussion, Marc Ramos, Williams Operation Supervisor, indicated that the components are identified by physically tagging the equipment. During the walk through of the Inlet Gathering and Separation Process Unit and Natural Gas Extraction Process Unit, the EPA representatives noticed that some of the equipment did not have tags (Item #26 of the Final Inspection Report dated September 13, 2018). The equipment tagging concern was related to Mr. Ramos during the closing meeting (Item #31 of the Final Inspection Report dated September 13, 2018). The concern with equipment that is not tagged is that the equipment may not be monitored by the LDAR contractor. In addition, if the valves are not included in the LDAR program then there could be valves that are leaking and not included in the percent of valves leaking calculation. The calculation is important because under 40 C.F.R. § 60.483-2 the company may elect to comply with a skip LDAR program if the percent of valves leaking is less than 2.0 percent.

### **3. Failure to make first repair attempt**

~~40 C.F.R. § 60.632(a) requires each owner or operator subject to the provisions of this subpart shall comply with the requirements of §§60.482-1 (a), (b), and (d) and 60.482-2 through 60.482-10, except as provided in §60.633, as soon as practicable, but no later than 180 days after initial startup.~~

~~40 C.F.R. § 60.482-7(b) states that if an instrument reading of 10,000 ppm or greater is measured, a leak is detected.~~

**Commented [TM16]:** I would recommend combining this violation with the violations (failure to make final repair and delay of repair). When alleged by itself, it appears to be a low hanging fruit since we only have one such allegation..

40 C.F.R. § 60.482-7(d)(2) states a first attempt at repair shall be made no later than 5 calendar days after each leak is detected.

40 C.F.R. § 60.482-9(a) states a delay of repair of equipment for which leaks have been detected will be allowed if repair within 15 days is technically infeasible without a process unit shutdown. Repair of this equipment shall occur before the end of the next process unit shutdown. Monitoring to verify repair must occur within 15 days after startup of the process unit.

According to the LDAR electronic database component number 1799 was inspected on April 14, 2014 ("inspection" table), and the results showed a reading of 14,819 ppm. The "repair" table indicates that the packing was tightened on April 17, 2014, and the results showed a reading of 10,000 ppm. Component 1799 was re-monitored on May 19, 2014 ("repair" table), and the results showed a reading of 33,132 ppm. The "repair" table indicates that component 1799 was replaced on June 19, 2014, and re-monitored on July 29, 2014, and the results showed a reading of 0 ppm.

Williams failed to make the first attempt repair of component 1799 for the May 19, 2014, inspection event within 5 days after a leak is detected or by May 24, 2014 as required by 40 C.F.R. § 60.482-7(d)(2).

**Claim 4: Failure to make first repair attempt, final Repair or delay of repair in violation of 40 C.F.R. § 60.482-7(d)(1)**

**Relevant Legal Requirements**

Valves: Pursuant to 40 C.F.R. § 60.482-7(a)(1), each valve in gas vapor service and in light liquid service shall be monitored monthly to detect leaks using Method 21 as specified in [ HYPERLINK "https://www.law.cornell.edu/cfr/text/40/60.485" \l "b" ]. Pursuant to § 60.482-7(b), a leak is detected if an instrument reading of 10,000 ppm or greater is measured. The monitoring frequency can be reduced to quarterly if a leak is not detected in two successive months. When a leak is detected, it shall be repaired as soon as practicable, but no later than fifteen (15) calendar days after the leak is detected. 40 C.F.R. § 60.482-9(a) states a delay of repair of equipment for which leaks have been detected will be allowed if repair within 15 days is technically infeasible without a process unit shutdown. Repair of this equipment shall occur before the end of the next process unit shutdown. Monitoring to verify repair must occur within 15 days after startup of the process unit.

40 C.F.R. § 60.482-7(d)(1). If a leak is detected, the valve shall be monitored monthly until a leak is not detected for 2 successive months. § 60.482-7(e)(2). Pursuant to § 60.482-7(e) and, a [ HYPERLINK "" ] shall be made no later than 5 calendar days after each leak is detected.

First attempts at repair include, but are not limited to, the following best practices where practicable:

**Commented [TM17]:** See comment below, I am assuming the violations apply to valves. We cannot generically reference the equipment as components since different regs and standards apply to valves, pumps, etc. You need to specify so that we can make sure that we are citing to the correct regs in subpart KKK.

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- (1) Tightening of bonnet bolts;
- (2) Replacement of bonnet bolts;
- (4) Injection of lubricant into lubricated packing.
- (3) Tightening of packing gland nuts;

Difficult to monitor (DTM) valves are excluded from monthly/quarterly monitoring if certain criteria are met ( See §§ 60.482-7, 60.487-7a, 61.242-7 or 63.769(c).

### **Facts Supporting Violations**

Based on a review and evaluation of the Williams Facility's electronic LDAR database, the EPA determined that Williams failed to make first attempt of repair within the requisite 5 days, and final repairs or delay of repairs within 15 days for the following components in violation of 40 C.F.R. §§ 60.482-7(d)(2) and 60.482-7(d)(1):

- a) According to the LDAR electronic database valve/pump/connector (component number 1799) was inspected on April 14, 2014 ("inspection" table), and the results showed a reading of 14,819 ppm above the leak detection measurement of 10,000 ppm. The "repair" table documented that the packing was tightened on April 17, 2014, and the results showed a reading of 10,000 ppm. Component 1799 was re-monitored on May 19, 2014 ("repair" table), and the results showed a reading of 33,132 ppm. The "repair" table indicates that component 1799 was replaced on June 19, 2014, and re-monitored on July 29, 2014, and the results showed a reading of 0 ppm. Williams failed to perform the first attempt repair of component 1799 after the May 19, 2014, as required by 40 C.F.R. § 60.482-7(d)(2)???????
- b) According to the Facility's LDAR electronic database, component number 1799 was inspected on April 14, 2014 (as documented in the "inspection" table), and the results showed a reading of 14,819 ppm significantly in excess of the leak standard- 10,000 ppm established in § 60.482-7(d)(1). The "repair" table indicated that the packing was tightened on April 17, 2014, and the results later showed a reading of 10,000 ppm. According to the information documented in the repair table, on May 19, 2014 (17 days delay in repair), the Facility re-monitored Component 1799 was re-monitored on May 19, 2014 ("repair" table), and the results showed a reading of 33,132 ppm (in excess of 10,000 ppm). -The "repair" table indicated that eComponent 1799 was replaced on June 19, 2014 (51 days after the required final date of repair), and re-monitored on July 29, 2014, and the results showed a reading of 0 ppm. The documentation in the Facility's LDAR electronic database demonstrates that the Facility did not make the final repair on Component 1799 until 66 days after the date the leak was detected and 51 days pass date it was required to make the final repair.)

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**Commented [TM18]:** I assume these components are valves in gas vapor service or in light liquid service. Is so need to state that especially since different leak measurement requirements apply for pumps, valves and connectors

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**Commented [TM19]:** I am somewhat confused here. Why is this being alleged as failure to make first attempt. Based on the facts the facility made first attempt to repair within the requisite 5 days. They did not repair within 15 days (May 19- June 19). So it appears to be a "delay of repairs" violation.

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**Commented [TM20]:** Same comment as above

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a)c)According to the Facility's LDAR electronic database, eComponent number 19602 was inspected on April 4, 2017 (documented in the "inspection" table), and the results showed a reading of 88,225 ppm, significantly in excess of the leak standard- 10,000 ppm. The "repair" table indicatesd that the packing was tightened on April 14, 2014, and the results showed a reading of 47,397 ppm (still significantly exceeding the leak standard). The "Inspection" table documented states that the repair on component 19602 was completed on July 24, 2017, and the results showed a reading of 22 ppm. The documentation in the Facility's LDAR electronic database demonstrates that the facility did not make the final repair on Component 19602 until 84 days after the leak was detected and 59 days pass the date it was required to make the final repair.

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Based on the information in the Facility's LDAR electronic database, the EPA has determined that Williams failed to make the final repair on eComponents 1799 and 19602, within 15 days of dates the leaks were detected, in violation of 40 C.F.R. § 60.482-7(d)(1), the April 14, 2014, inspection event or by April 29, 2014 as required by 40 C.F.R. § 60.482-7(d)(1). The final repair was completed on June 19, 2014.

Williams failed to make the final repair on component 19602 within 15 days of the April 4, 2017, inspection event or by April 19, 2017 as required by 40 C.F.R. § 60.482-7(d)(1). The final repair was completed on July 24, 2017.

##### **5. Failed to conduct LDAR Inspections**

40 C.F.R. § 60.482-2(a)(1) requires each pump in light liquid service shall be monitored monthly to detect leaks by the methods specified in §60.485(b), except as provided in §60.482-1(c) and (f) and paragraphs (d), (e), and (f) of this section.

40 C.F.R. § 60.482-7(a)(1) states that each valve shall be monitored monthly to detect leaks by the methods specified in §60.485(b) and shall comply with paragraphs (b) through (e) of this section, except as provided in paragraphs (f), (g), and (h) of this section, §60.482-1(c) and (f), and §§60.483-1 and 60.483-2.

Williams submitted letters dated March 21, 2005, and December 9, 2011, stating that the company was going to implement the skip period leak detection and repair alternative allowed under 40 C.F.R. § 60.483-2. Therefore, the valves were required to be monitored semi-annually instead of monthly.

40 C.F.R. § 60.482-7(h)(3) states that any valve that is designated as a difficult-to-monitor valve requires monitoring of the valve at least once per calendar year.

40 C.F.R. § 60.633(a) states that each owner or operator subject to the provisions of this subpart may comply with the following exceptions to the provisions of subpart VV, and 40 C.F.R. § 60.633(b)(1) states that each pressure relief device in gas/vapor service may be monitored quarterly and within 5 days after each pressure release to detect leaks by the methods specified in

~~§60.485(b) except as provided in §§60.632(c), paragraph (b)(4) of this section, and 60.482-4 (a) through (c) of subpart VV.~~

~~40 C.F.R. § 60.482-3(i)(2) indicates that any compressor designated for no detectable emissions shall be tested for compliance initially and then annually.~~

~~40 C.F.R. § 60.482-10(f)(1)(ii) requires hard-piped closed vent systems to conduct annual visual inspections for visible, audible, or olfactory indications of leaks.~~

~~According to the electronic LDAR database 113 components were not inspected in 2013, 487 components were not inspected in 2014, 36 components were not inspected in 2015, 38 components were not inspected in 2016, 12 components were not inspected in 2017, and 8 components were not inspected in 2018.~~

~~An example of a missed inspection for a pump (component table, and inspection table) is Williams failed to inspect component number 1084 in June 2014 which is a violation of 40 C.F.R. § 60.482-2(a)(1).~~

~~An example of a missed inspection for a valve (component table, and inspection table) is Williams failed to inspect component number 305 in October 2014 which is a violation of 40 C.F.R. § 60.482-7(a)(1).~~

~~Several examples of missed inspection for components designated as difficult to monitor (component table DTM-1, and inspection table) are component 934 which missed in April 2015, 2016 and 2017; components numbered 3005, 3533, 1415 and 2474 which were missed in April 2015; components numbered 1752, 1777, 1805, 1922-1995, 3135, 4298, 4401 and 4442 which were missed in April 2015, 2016 and 2017; and component numbered 6374 which was missed in April 2014 and 2015. Williams is in violation of 40 C.F.R. § 60.482-7(h)(3).~~

~~An example of a missed inspection for a compressor (component table no detectable emissions and inspection table) is Williams failed to inspect compressor 12519 on April 2014, which is a violation of 40 C.F.R. § 60.482-3(i)(2).~~

~~An example of a missed inspection for a pressure relief device (component table, subtype table, and inspection table) is Williams failed to inspect component number 3161 in the second quarter of 2014 which is a violation of 40 C.F.R. § 60.633(b)(1).~~

~~Several examples of missed inspection for the closed vent system (component table, CVS-1, and inspection table) are component number 4765 which was missed in April 2014; components numbered 3486 and 4497 which were missed in April 2015; and component numbered 8539 which was missed in April 2014 and 2015. Williams is in violation of 40 C.F.R. § § 60.482-10(f)(1)(ii).~~



## **NSPS OOOOa Applicability**

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On June 3, 2016, the EPA promulgated “New Source Performance Standards” for the Oil and Natural Gas Sector, 81 Fed. Reg. 35,898. These standards are codified at 40 C.F.R. Part 60, Subpart OOOOa and among other things, apply to “affected facilities” at natural gas processing plants that commenced construction, modification, or reconstruction after September 18, 2015. Subpart OOOOa includes LDAR requirements for natural gas processing plants at 60.5400a, §–60.5432a). Those standards, by reference, require compliance with provisions at 40 C.F.R. Part 60, Subpart VVa (Standards of Performance for Equipment Leaks of VOC in the Synthetic Organic Chemicals Manufacturing Industry for Which Construction, Reconstruction, or Modification Commenced After November 7, 2006).

Pursuant to 40 C.F.R. § 60.11, the term “modification is defined as “any physical or operational change to an [ HYPERLINK "" ] which results in an increase in the emission rate to the atmosphere of any pollutant to which a [ HYPERLINK "" ] applies shall be considered a [ HYPERLINK "" ] within the meaning of section 111 of the [ HYPERLINK "" ]. Upon [ HYPERLINK "" ], an [ HYPERLINK "" ] shall become an [ HYPERLINK "" ] for each pollutant to which a [ HYPERLINK "" ] applies and for which there is an increase in the emission rate to the atmosphere.” Except by themselves, the following will not be considered modification: maintenance, repair and replacement the Administrator determines to be routine; an increase in production rate of an existing facility and an increase in the hours of operation. Subpart OOOOa adds that “addition or replacement of [ HYPERLINK "" ] for the purpose of process improvement that is accomplished without a [ HYPERLINK "" ] shall not by itself be considered a [ HYPERLINK "" ] under this subpart.” 40 C.F.R. § 60.65365(f) As discussed in detail below, modifications on \_\_\_\_\_ at the Facility involving a multiple phase expansion project to accommodate more natural gas condensate liquids from a new inlet stream resulted in the Facility’s process unit being subject to Subpart OOOOa.

Subpart OOOOa sets standards for VOC leaks from natural gas processing plants by making affected facilities subject to certain Subpart VVa provisions. The standards that apply to the Williams Facility require monitoring of specified equipment, including but not limited to, valves, pumps, and connectors, for VOC leaks on a specific schedule; keeping records of monitoring; results; and maintaining specified work practices, such as sealing open-ended lines. Method 21 sets forth the procedure for use of an instrument to detect VOC leaks, including but limited to calibration requirements and long and where to use the probe at each component monitored.

40 C.F.R. § 60.5365a(f) define the term “affected facilities” to mean the group of all equipment within a process. The term equipment is defined at 40 C.F.R. § 60.5430a to mean, as used in the standards and requirements in this subpart relative to the equipment leaks of GHG (in the form of methane) and VOC from onshore natural gas processing plants, means each pump, pressure relief device, open-ended valve or line, valve, and flange or other connector that is in VOC

service or in wet gas service, and any device or system required by those same standards and requirements in this subpart. The term "process unit" has the same definition in Subpart OOOOa (§ 60.5430a) as Subpart KKK, above referenced.

indicates that you are subject to the applicable provisions of this subpart if you are the owner or operator of one or more of the onshore affected facilities listed in paragraphs (a) through (j) of this section for which you commence construction, modification, or reconstruction after September 18, 2015.

40 C.F.R. § 60.5430a defines a process unit to mean components assembled for the extraction of natural gas liquids from field gas, the fractionation of the liquids into natural gas products, or other operations associated with the processing of natural gas products. A process unit can operate independently if supplied with sufficient feed or raw materials and sufficient storage facilities for the products.

During the April 2018 on-site inspection, Williams representative stated that the plant was being modified to accommodate more natural gas condensate liquids from a new inlet stream. The EPA inspection team had a conference call with William's corporate environmental staff. During the call a company representative indicated that the company has interpreted the NSPS OOOOa regulations as taking effect once an entire project is completed and in service, until then the company will comply with NSPS KKK for any new equipment installed and/or modified existing equipment. Also, during the call, the EPA asked questions pertaining to NSPS applicability, and the timeline line and cost for the current project. Williams agreed to provide the EPA with the information but asked that the EPA provide the questions to Williams in an email. On May 4, 2018, the EPA sent an email to Williams with the questions that were asked during the conference call.

Williams provided a response to the EPA's email on May 25, 2018. In the response, Williams stated that entire expansion project would make the facility subject to the requirements of NSPS OOOOa. The response also stated that the train 2 natural gas liquid extraction process was pressurized on December 4, 2017, that the train 1 natural gas liquid extraction process was pressurized on March 28, 2018.

In the Williams' response, Williams also provided a copy of a letter dated May 23, 2018, to ADEM. The letter stated that it was the notification of construction, modification and initial start-up pursuant to NSPS OOOOa for the Williams Mobile Bay Gas Processing facility. The letter also indicated that the facility began construction on the multiple phase project that will continue through 2020, that the expansion project will increase the natural gas condensate liquids capacity from 3,200 barrels per day to 26,000 barrels per day, and that the project is subject to NSPS OOOOa. The letter also stated that the train 2 natural gas liquid extraction process was

pressurized on December 4, 2017, that the train 1 natural gas liquid extraction process was pressurized on March 28, 2018, and that the Inlet Gathering & Separation, Condensate Stabilization and Gas Dehydration units will be put into service in July 2018.

**9Claim 5: Failure to Provide Initial Notice of Construction, Modification or Reconstruction in violation of 40 C.F.R. § 60.5420a**

**Legal Requirements**

Pursuant to 40 C.F.R. § 60.5420a(a), an owner/operator is required to ~~states that you must submit the notifications according to paragraphs (a)(1) and (2) of this section if you~~ they own or operate one or more of the affected facilities (group of all equipment within a process), specified in §60.5365a that was constructed, modified or reconstructed during the reporting period.

~~40 C.F.R. § 60.5420a(a)(1) states that if you own or operate an affected facility that is the group of all equipment within a process unit at an onshore natural gas processing plant or a sweetening unit at an onshore natural gas processing plant, you must submit the notifications required in §60.7(a)(1), (3), and (4).~~

40 C.F.R. § 60.7(a)(1) states that a notification of the date construction (or reconstruction as defined under §60.15) of an affected facility is commenced postmarked no later than 30 days after such date. This requirement shall not apply in the case of mass-produced facilities which are purchased in completed form.

~~Pursuant to 60.7 (1)(2)(4)~~A notification of any physical or operational change to an [ HYPERLINK "" ] which may increase the emission rate of any air pollutant to which a [ HYPERLINK "" ] applies, unless that change is specifically exempted under an applicable subpart or in [ HYPERLINK "https://www.law.cornell.edu/cfr/text/40/60.14" \l "e" ] This notice shall be postmarked 60 days or as soon as practicable before the change is [ HYPERLINK "" ] and shall include information describing the precise nature of the change, present and proposed emission [ HYPERLINK "" ] systems, productive capacity of the [ HYPERLINK "" ] before and after the change, and the expected completion date of the change. The [ HYPERLINK "" ] may request additional relevant information subsequent to this notice

~~60.14(g)~~ Within 180 days of the completion of any physical or operational change subject to the [ HYPERLINK "" ] measures specified in [ HYPERLINK "https://www.law.cornell.edu/cfr/text/40/60.14" \l "a" ] of this section, compliance with all [ HYPERLINK "" ] must be achieved.

**Facts of the Violation: Failure to Provide Initial Notice of Construction, Modification or Reconstruction**

- Commented [TM21]: 60.7(a)(1) addresses construction/reconstruction
- Commented [TM22]: 60.7(4) speaks to modification specifically, as per our discussion on Friday, you confirmed that the term modification applies.
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As discussed in detail below, modifications on \_\_\_\_\_ at the Facility involving a multiple phase expansion project to accommodate more natural gas condensate liquids from a new inlet stream, resulted in the Facility's process unit being subject to Subpart OOOOa. The project is expected to be completed in 2020 and will increase the natural gas condensate liquids capacity from 3,200 barrels per day to 26,000 barrels per day. EPA became aware of the project during the inspection conducted on April 17-19, 2018. Based on discussions with Williams' representative, it became apparent that the company had misinterpreted the NSPS OOOOa regulations and believed that the Facility was not subject to those regulations until the expansion project was completed. Subsequently, in an email dated May 4, 2018, the EPA submitted questions to Williams about the expansion project. In an email dated May 25, 2018, Williams responded to the EPA and acknowledged that the entire expansion project would make the Facility subject to the requirements of NSPS OOOOa. Williams also provided a copy of a letter dated May 23, 2018, to ADEM. The letter stated that it was the notification of construction, modification and initial start-up pursuant to NSPS OOOOa for the Williams Facility. The letter to ADEM further stated that the train 2 natural gas liquid extraction process was pressurized on December 4, 2017, that the train 1 natural gas liquid extraction process was pressurized on March 28, 2018, and that the Inlet Gathering & Separation, Condensate Stabilization and Gas Dehydration units will be put into service in July 2018.

**Commented [TM23]:** Need clarification about whether project is a Modification, Construction or Reconstruction

Williams submitted the date of construction notification to ADEM on May 25, 2018. In the letter, Williams stated that the train 2 natural gas liquid extraction unit was pressurized on December 4, 2017. The construction on train 2 must have begun sometime prior to December 4, 2017. In addition, the letter states that train 1 was pressurized on March 28, 2018. Therefore, Williams failed to submit the notification of the date of construction as required in 40 C.F.R. § 60.7(a)(1).

**6Claim 6: Failed-ure to Comply with NSPS OOOOa for Inlet Gathering and Separation Process Unit in violation of 40 C.F.R. § 60.482-7a(a)(2)(i)**

**Commented [TM24]:** This violation as alleged is extremely vague

Relevant Legal Requirements

40 C.F.R. Part 60 Subpart OOOOa, Standards of Performance for Crude Oil and Natural Gas Facilities for which Construction, Modification or Reconstruction Commenced After September 18, 2015.

40 C.F.R. § 60.5400a applies to the group of all equipment, except compressors, within a process unit, and 40 C.F.R. § 60.5400a(a) states that you must comply with the requirements of §§60.482-1a(a), (b), and (d), 60.482-2a, and 60.482-4a through 60.482-11a, except as provided in §60.5401a.

40 C.F.R. § 60.482-7a(a)(2) A valve that begins operation in gas/vapor service or light liquid service after the initial startup date for the process unit must be monitored according to paragraphs (a)(2)(i) or (ii), except for a valve that replaces a leaking valve and except as

provided in paragraphs (f), (g), and (h) of this section, §60.482-1a(c), and §§60.483-1a and 60.483-2a.

40 C.F.R. § 60.482-7a(a)(2)(i) requires the owner or operator to monitor the valve as in paragraph (a)(1) of this section, and that the valve must be monitored for the first time within 30 days after the end of its startup period to ensure proper installation.

Williams provided a response to the EPA's email on May 25, 2018. In the response, Williams stated that entire expansion project would make the facility subject to the requirements of NSPS OOOOa. The response also stated that the train 2 natural gas liquid extraction process was pressurized on December 4, 2017, that the train 1 natural gas liquid extraction process was pressurized on March 28, 2018, and that the Inlet Gathering & Separation, Condensate Stabilization and Gas Dehydration units will be put into service in July 2018.

Williams submitted an NSPS KKK LDAR periodic report dated July 25, 2017, for the period of January 1, 2017 through June 30, 2017. The report indicated that there are 400 valves and 3 pressure relief valves in the Inlet Gathering and Separation process unit.

The process units are in various portions of the facility, however most of the equipment is interconnected. The EPA informed Williams that when multiple process units are interconnected then Williams would need to comply with the more stringent regulations. Therefore, Williams failed to monitor the Inlet Gathering & Separation process unit by January 4, 2018, as required by 40 C.F.R. § 60.482-7a(a)(2)(i).

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**Claim 77. Failure to Comply with NSPS OOOOa for Condensate Stabilization Process Unit in violation of 40 C.F.R. § 60.482-7a(a)(2) and 40 C.F.R. § 60.482-7a(a)(2)(i).**

40 C.F.R. Part 60 Subpart OOOOa, Standards of Performance for Crude Oil and Natural Gas Facilities for which Construction, Modification or Reconstruction Commenced After September 18, 2015.

40 C.F.R. § 60.5400a applies to the group of all equipment, except compressors, within a process unit, and 40 C.F.R. § 60.5400a(a) states that you must comply with the requirements of §§60.482-1a(a), (b), and (d), 60.482-2a, and 60.482-4a through 60.482-11a, except as provided in §60.5401a.

40 C.F.R. § 60.482-2a(a)(1) states that a pump that begins operation in light liquid service after the initial startup date for the process unit must be monitored for the first time within 30 days after the end of its startup period, except for a pump that replaces a leaking pump and except as provided in §60.482-1a(c) and paragraphs (d), (e), and (f) of this section.

40 C.F.R. § 60.482-7a(a)(2) A valve that begins operation in gas/vapor service or light liquid service after the initial startup date for the process unit must be monitored according to paragraphs (a)(2)(i) or (ii), except for a valve that replaces a leaking valve and except as provided in paragraphs (f), (g), and (h) of this section, §60.482-1a(c), and §§60.483-1a and 60.483-2a.

40 C.F.R. § 60.482-7a(a)(2)(i) requires the owner or operator to monitor the valve as in paragraph (a)(1) of this section, and that the valve must be monitored for the first time within 30 days after the end of its startup period to ensure proper installation.

Williams provided a response to the EPA's email on May 25, 2018. In the response, Williams stated that entire expansion project would make the facility subject to the requirements of NSPS OOOOa. The response also stated that the train 2 natural gas liquid extraction process was pressurized on December 4, 2017, that the train 1 natural gas liquid extraction process was pressurized on March 28, 2018, and that the Inlet Gathering & Separation, Condensate Stabilization and Gas Dehydration units will be put into service in July 2018.

Williams submitted an NSPS KKK LDAR periodic report dated July 25, 2017, for the period of January 1, 2017 through June 30, 2017. The report indicated that there are 597 valves, 5 pumps and 1 compressor in the Condensate Stabilization process unit.

The process units are in various portions of the facility, however most of the equipment is interconnected. The EPA informed Williams that when multiple process units are interconnected then Williams would need to comply with the more stringent regulations. Therefore, Williams failed to monitor the Condensate Stabilization process unit by January 4, 2018, as required by 40 C.F.R. § 60.482-7a(a)(2) and 40 C.F.R. § 60.482-7a(a)(2)(i).

**Claim 8.Failed to Comply with NSPS OOOOa for Gas Dehydration Process Unit**

40 C.F.R. Part 60 Subpart OOOOa, Standards of Performance for Crude Oil and Natural Gas Facilities for which Construction, Modification or Reconstruction Commenced After September 18, 2015.

40 C.F.R. § 60.5400a applies to the group of all equipment, except compressors, within a process unit, and 40 C.F.R. § 60.5400a(a) states that you must comply with the requirements of §§60.482-1a(a), (b), and (d), 60.482-2a, and 60.482-4a through 60.482-11a, except as provided in §60.5401a.

40 C.F.R. § 60.482-7a(a)(2) A valve that begins operation in gas/vapor service or light liquid service after the initial startup date for the process unit must be monitored according to paragraphs (a)(2)(i) or (ii), except for a valve that replaces a leaking valve and except as provided in paragraphs (f), (g), and (h) of this section, §60.482-1a(c), and §§60.483-1a and 60.483-2a.

40 C.F.R. § 60.482-7a(a)(2)(i) requires the owner or operator to monitor the valve as in paragraph (a)(1) of this section, and that the valve must be monitored for the first time within 30 days after the end of its startup period to ensure proper installation.

Williams provided a response to the EPA's email on May 25, 2018. In the response, Williams stated that entire expansion project would make the facility subject to the requirements of NSPS OOOOa. The response also stated that the train 2 natural gas liquid extraction process was pressurized on December 4, 2017, that the train 1 natural gas liquid extraction process was pressurized on March 28, 2018, and that the Inlet Gathering & Separation, Condensate Stabilization and Gas Dehydration units will be put into service in July 2018.

Williams submitted an NSPS KKK LDAR periodic report dated July 25, 2017, for the period of January 1, 2017 through June 30, 2017. The report indicated that there are 246 valves and 7 pressure relief valves in the Gas Dehydration process unit.

The process units are in various portions of the facility, however most of the equipment is interconnected. The EPA informed Williams that when multiple process units are interconnected then Williams would need to comply with the more stringent regulations. Therefore, Williams failed to monitor the Gas Dehydration process unit by January 4, 2018, as required by 40 C.F.R. § 60.482-7a(a)(2)(i).

#### ~~9. Failed to Provide Initial Notice of Construction~~

~~40 C.F.R. § 60.5420a(a) states that you must submit the notifications according to paragraphs (a)(1) and (2) of this section if you own or operate one or more of the affected facilities specified in §60.5365a that was constructed, modified or reconstructed during the reporting period.~~

~~40 C.F.R. § 60.5420a(a)(1) states that if you own or operate an affected facility that is the group of all equipment within a process unit at an onshore natural gas processing plant, or a sweetening unit at an onshore natural gas processing plant, you must submit the notifications required in §60.7(a)(1), (3), and (4).~~

~~40 C.F.R. § 60.7(a)(1) states that a notification of the date construction (or reconstruction as defined under §60.15) of an affected facility is commenced postmarked no later than 30 days after such date. This requirement shall not apply in the case of mass-produced facilities which are purchased in completed form.~~

~~Williams submitted the date of construction notification on May 25, 2018. In the letter, Williams stated that the train 2 natural gas liquid extraction unit was pressurized on December 4, 2017. The construction on train 2 must have begun sometime prior to December 4, 2017. In addition, the letter states that train 1 was pressurized on March 28, 2018. Therefore, Williams failed to submit the notification of the date of construction as required in 40 C.F.R. § 60.7(a)(1).~~

#### **10.Failed to Provide Notice of Start-up**

40 C.F.R. § 60.5420a(a) states that you must submit the notifications according to paragraphs (a)(1) and (2) of this section if you own or operate one or more of the affected facilities specified in §60.5365a that was constructed, modified or reconstructed during the reporting period.

**Commented [TM25]:** Sounds like we should combine this violation with .Failure to Provide Initial Notice of Construction- we are citing to the same regulations

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40 C.F.R. § 60.5420a(a)(1) states that if you own or operate an affected facility that is the group of all equipment within a process unit at an onshore natural gas processing plant, or a sweetening unit at an onshore natural gas processing plant, you must submit the notifications required in §60.7(a)(1), (3), and (4).

40 C.F.R. § 60.7(a) states that a notification of the actual date of initial startup of an affected facility postmarked within 15 days after such date.

Williams submitted the date of construction notification on May 25, 2018. In the letter, Williams stated that the train 2 natural gas liquid extraction unit was pressurized, on December 4, 2017. The construction on train 2 must have begun sometime prior to December 4, 2017. In addition, the letter states that train 1 was pressurized on March 28, 2018. Therefore, Williams failed to submit the notification of the date of construction as required in 40 C.F.R. § 60.7(a)(3).

**Commented [TM26]:** Is this a "construction or "modification

#### **11.Failed to meet the requirements of the Title V Operating Permit**

Title V of the CAA, 42 U.S.C. § 7661a(a), makes it "unlawful for any person to violate any requirement of a permit issued under [the Title V permit program]." The Williams facility located in Coden, Alabama, has Title V operating permit, which include federally-enforceable provisions requiring compliance with 40 C.F.R. Part 60, Subpart KKK. Thus, for those facilities, each violation of NSPS KKK also constitutes a violation of the Title V permit condition imposing that requirement. 42 U.S.C. § 7661a(a).

#### **State Involvement and Cooperative Federalism**

Region 4 technical staff and management coordinated with the state program and invited them to participate in the field evaluation. The state representative participated in the inspection for one day on April 17, 2018.

Region 4 management has contacted ADEM on \_\_\_\_\_ the state program to generally discuss the status of the potential enforcement action and invited the state program to join the enforcement action. Although to date, Region 4 has not received a response from ADEM, historically, ADEM has participated in civil judicial settlements and is expected to participate in this one as well. heard back from the state programs. The expected collaborative partnership between EPA and ADEM is consistent with the memorandum entitled "Interim OECA Guidance



on Enhancing Regional-State Planning and Communication on Compliance Assurance Work in Authorized States” from Susan Bodine (Assistant Administrator) dated January 22, 2018. Since there appears to be widespread LDAR noncompliance issues at Williams’ facilities nationwide, and because some of the evidence used in this case was obtained using specialized equipment that is not utilized by ADEM, Region 4 believes it is appropriate for the EPA to maintain the lead in this enforcement action. Further, EPA HQ commenced this Initiative (Ensuring Energy Extraction Activities Comply with Environmental Laws) a few years ago, to ensure consistency and a level playing field within energy extraction industry, it is best that EPA continue to be the enforcement lead on these types of cases.

~~Per the EPA policy,~~ Region 4 believes it is appropriate for the EPA to maintain the lead in this enforcement action, because there appears to be widespread noncompliance problems with Williams in the various states and Regions, and because some of the evidence used in this case was obtained using specialized equipment. [See Susan Bodine, Interim OECA Guidance on Enhancing Regional-State Planning and Communication on Compliance Assurance Work in Authorized States (Jan. 22, 2018)].

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#### **Environmental Justice (EJ)**

The EJSCREEN analysis indicates that the Williams facility located in Coden, Alabama, has no EJ Indexes over the 80<sup>th</sup> percentile nationally within the one-mile buffer area. [The EPA is not aware of any inquiries or concerns about the Williams facility raised by any citizen groups in the area where the facility is located.]

Commented [TM27]: Are there minority/low income within one mile of the Facility?

#### **Global Settlement Negotiations**

Representatives from the DOJ, the Office of Enforcement and Compliance Assurance (OECA), Region 3, Region 4, Region 5, Region 7 and Region 8 have engaged in settlement discussions with Williams. The first global settlement meeting was held on October 23, 2018.

#### **Contact Information**

The EPA Region 4 staff members assigned to this matter are: Marlene Tucker, Associate Regional Counsel, Office of Air, Pesticides, and Toxics Legal Support, at (404) 562-9536, and Denis Kler at (404) 562-9199 of the North Air Enforcement and Toxics Section.

Sincerely,

Mary S. Walker  
Acting Regional Administrator

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